

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X

In re:

Chapter 11

W.R. GRACE & Co., et al.,

Case No. 01-01139 (JKF)
(Jointly Administered)

Debtor

Objection Deadline: To be Determined
Hearing Date: To be Determined

**FIFTH QUARTERLY INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM APRIL 1, 2002 THROUGH JUNE 30, 2002)**

Name of Applicant:

FTI Policano & Manzo

Authorized to Provide Professional Services to:

The Official Committee of
Unsecured Creditors

Date of Retention:

June 21, 2001

Period for which compensation and
reimbursement is sought:

April 1, 2002 through
June 30, 2002

Amount of Compensation sought
as actual, reasonable and necessary
during the Quarter (100%):

\$195,700.00

Amount of Expense Reimbursement sought
as actual, reasonable and necessary during
the Quarter (100%):

\$8,119.58

(\$8,246.13 less an adjustment of \$126.55 as explained in Exhibit G)

This is an: X interim final application

This is the Fifth Quarterly application filed. Disclosure for all periods is as follows:

**FIFTH QUARTERLY INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
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(FOR THE PERIOD FROM APRIL 1, 2002 THROUGH JUNE 30, 2002)**

ATTACHMENT A

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees	Expenses
June 28, 2001	April 20, 2001 through April 30, 2001	\$16,008.00	\$667.95	\$12,806.40 (80% of requested fees)	\$667.95
June 28, 2001	May 1, 2001 through May 31, 2001	\$104,081.50	\$2,513.09	\$83,265.20 (80% of requested fees)	\$2,513.09
July 28, 2001	June 1, 2001 through June 30, 2001	\$75,916.00	\$3,913.13	\$60,732.80 (80% of requested fees)	\$3,913.13
Totals First Quarterly	April 20, 2001 through June 30, 2001	\$196,005.50	\$7,094.17		
August 28, 2001	July 1, 2001 through July 31, 2001	\$71,989.50	\$3,871.54	\$57,591.60 (80% of requested fees)	\$3,871.14
September 28, 2001	August 1, 2001 through August 31, 2001	\$70,425.00	\$1,092.45	\$56,340.00 (80% of requested fees)	\$1,092.45
October 30, 2001	September 1, 2001 through September 30, 2001	\$104,816.50	\$3,028.40	\$83,853.20 (80% of requested fees)	\$3,028.40
Totals Second Quarterly	July 1, 2001 through September 30, 2001	\$247,231.00	\$7,992.39		

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Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees	Expenses
November 29, 2001	October 1, 2001 through October 31, 2001	\$42,643.00	\$3,670.86	\$34,114.40 (80% of requested fees)	\$3,670.86
December 28, 2001	November 1, 2001 through November 30, 2001	\$50,048.50	\$1,864.72	\$40,038.80 (80% of requested fees)	\$1,864.72
January 28, 2002	December 1, 2001 through December 31, 2001	\$53,986.50	\$1,005.29	\$43,189.20 (80% of requested fees)	\$1,005.29
Totals Third Quarterly	October 1, 2001 through December 31, 2001	\$146,678.00	\$6,540.87		
February 28, 2002	January 1, 2002 through January 31, 2002	\$63,207.00	\$2,549.70	\$50,565.60 (80% of requested fees)	\$2,549.70
March 28, 2002	February 1, 2002 through February 28, 2002	\$27,249.50	\$1,874.43	\$21,799.60 (80% of requested fees)	\$1,874.43
April 28, 2002	March 1, 2002 through March 31, 2002	\$106,680.50	\$1,919.09	\$85,344.40 (80% of requested fees)	\$1,919.09
Totals Fourth Quarterly	January 1, 2002 through March 31, 2002	\$197,137.00	\$6,343.22		

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Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees	Expenses
May 28, 2002	April 1, 2002 through April 30, 2002	\$102,314.00	\$ 4,657.40 (less adjustment of \$126.55 per Exhibit G)	\$81,851.20 (80% of requested fees)	\$4,530.85
June 28, 2002	May 1, 2002 through May 31, 2002	\$50,027.00	\$2,207.14	\$40,021.60 (80% of requested fees)	\$2,207.14
July 29 28, 2002	June 1, 2002 through June 30, 2002	\$43,359.00	1,381.59	\$34,687.20 (80% of requested fees)	\$1,381.59
Totals Fifth Quarterly	April 1, 2002 through June 30, 2002	\$195,700.00	\$8,119.58		

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ATTACHMENT B

Name of Professional Person	Hourly Billing Rate (including changes)	Total Billed Hours during the Quarter	Total Compensation for the Quarter
E. Ordway	\$550	21.3	\$11,715.00
S. Cunningham	\$440	69.5	\$30,580.00
C. Whitney	\$375	77.1	\$28,912.50
W. Gilligan	\$375	139.7	\$52,387.50
L. Hamilton	\$350	171.7	\$60,095.00
J. Schwendeman	\$325	17.0	\$5,525.00
B. Rosenbaum	\$175	0.5	\$87.50
M. DeSalvio	\$175	0.7	\$122.50
M. Hakoun	\$150	41.0	\$6,150.00
D. Policano	\$125	1.0	\$125.00
Grand Total:		539.5	\$195,700.00
Blended Rate:	\$363		

COMPENSATION BY PROJECT CATEGORY

Task Code	Project Category	Total Hours for the Quarter	Total Fees for the Quarter
2	Asbestos: Claims Analysis and Valuations	2.6	\$910.00
12	Business Analysis	394.1	\$140,989.50
17	Committee Matters and Creditor Meetings	50.1	\$21,080.50
18	Compensation of Professionals	84.8	\$29,955.00
47	Tax/General	7.9	\$2,765.00
	Total	539.5	\$195,700.00

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EXPENSE SUMMARY

Expense Category	Total Expenses for the Quarter
Copies	\$712.25
Telecommunications	\$1,266.16
Postage, Express Delivery	\$313.22
Travel Expenses	\$592.00
Word Processing Services	\$15.00
Document Preparation and Handling Services	\$3,307.50
Seminar Costs	\$2,040.00
Subtotal	\$8,246.13
Less Adjustment – Exhibit G	\$126.55
Total	\$8,119.58

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APPLICATION

Pursuant to sections 327, 330 and 331 of title 11 of the United States Code (as amended, the “Bankruptcy Code”, Fed. R. Bankr. P. 2016, the Retention Order (as defined below), the Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Professionals and Official Committee Members (the “Interim Compensation Order”), the Amendment to the Administrative Order effective April 17, 2002 (the “Amendment”) and Del.Bankr.LR 2016-2, of FTI Policano & Manzo (“FTI P&M”), Financial Advisors to the Official Committee of Unsecured Creditors (the “Committee”) of W.R. Grace & Co. and its sixty-one domestic subsidiaries and affiliates that are debtors and debtors-in-possession (the “Debtors”), hereby applies for an order allowing it (i) compensation in the amount of \$195,700.00 for professional services rendered by FTI P&M as financial advisors for the Committee, less \$0.00 previously paid, and (ii) reimbursement for the actual and necessary expenses incurred by FTI P&M in rendering such services in the amount of \$8,119.58, less \$0.00 previously paid, (the “Fifth Quarterly Fee Application”), in each case for the interim quarterly period from April 1, 2002 through June 30, 2002 (the “Fee Period”). In support of this Application, FTI P&M respectfully states as follows:

Monthly Interim Fee Applications Covered Herein

1. Pursuant to the procedures set forth in the Administrative Fee Order and Amendment, professionals may apply for monthly compensation and reimbursement (each such application, a “Monthly Fee Application”), and the notice parties listed in the Administrative

Fee Order and Amendment may object to such request. If no notice party objects to a professional's Monthly Fee Application within twenty (20) days after the date of service of the Monthly Fee Application, the applicable professional may submit to the Court a certification of no objection whereupon the Debtors are authorized to pay interim compensation and reimbursement of 80% of the fees and 100% of the expenses requested.

2. Furthermore, and also pursuant to the Administrative Fee Order and Amendment, professionals are to file and serve upon the notice parties a quarterly request (a "Quarterly Fee Application") for interim Court approval and allowance of the Monthly Fee Applications filed during the quarter covered by that Quarterly Fee Application. If the Court grants the relief requested by the Quarterly Fee Application, the Debtors are authorized and directed to pay the professional 100% of the fees and expenses requested in the Monthly Fee Applications covered by that Quarterly Fee Application less any amounts previously paid in connection with the Monthly Fee Applications. Any payment made pursuant to the Monthly Fee Applications or a Quarterly Fee Application is subject to final approval of all fees and expenses at a hearing on the professional's final fee application.
3. Pursuant to an Application submitted to the Court on or about May 17, 2001, and by a Court order dated June 21, 2001 (the "Retention Order"), FTI P&M was retained as financial advisors for the Committee, nunc pro tunc to April 20, 2001. Since its retention, FTI P&M has continuously and vigorously pursued the Committee's interests in these cases.
4. FTI P&M is a firm of financial advisors specializing in insolvency restructuring and related matters, and is an operating unit of FTI Consulting, Inc. Since being retained by the Committee, FTI P&M has rendered professional services to the Committee as requested and as necessary and appropriate in furtherance of the interests of the unsecured creditors of the

Debtors' estates. FTI P&M respectfully submits that the professional services that it rendered on behalf of the Committee were necessary and have directly benefited the creditor constituents represented by the Committee and have contributed to the effective administration of these cases.

5. This is the Fifth Quarterly Fee Application for compensation for services rendered that FTI P&M has filed with the Bankruptcy Court in connection with the representation of the Committee in these chapter 11 cases.
6. FTI P&M has filed the following Monthly Fee Applications for interim compensation during the Fee Period:
 - a. Thirteenth application of FTI Policano & Manzo, financial advisor to the Official Committee of Unsecured Creditors, for allowance of compensation for service rendered and reimbursement of expenses incurred for the period from April 1, 2002, through April 30, 2002, filed on or about May 28, 2002, (the "Thirteenth Fee Application") attached hereto as Exhibit B.
 - b. Fourteenth application of FTI Policano & Manzo, financial advisor to the Official Committee of Unsecured Creditors, for allowance of compensation for service rendered and reimbursement of expenses incurred for the period from May 1, 2002, through May 31, 2002, filed on or about June 28, 2002, (the "Fourteenth Fee Application") attached hereto as Exhibit C.
 - c. Fifteenth application of FTI Policano & Manzo, financial advisor to the Official Committee of Unsecured Creditors, for allowance of compensation for service rendered and reimbursement of expenses incurred for the period from June 1, 2002, through June 30, 2002, filed on or about July 29, 2002, (the "Fifteenth Fee Application") attached hereto as Exhibit D.

FTI P&M has not filed any other Quarterly Fee Applications or Monthly Fee Applications for the Fee Period. FTI P&M has not received any payments from the Debtors for any of the applications that are part of this quarterly period.

Description of Services, Fees and Expenses

7. During the Fifth Quarterly Interim Period, the Applicant rendered professional services aggregating a total of 539.5 hours in the discharge of its duties as financial advisor and bankruptcy consultant to the Committee. The Applicant is seeking an interim allowance for compensation of professional services rendered to the Debtors of \$195,700.00, representing 100% of fees incurred, and reimbursement of expenses in connection therewith of \$8,119.58.

The Applicant, respectfully, submits the following:

- a) The Applicant believes that the interim fees applied for herein for professional services rendered in performing accounting and advisory services for the Committee in this proceeding are fair and reasonable in view of the time spent, the extent of work performed, the nature of the Debtors' capitalization structure and financial condition, the Debtors' financial accounting resources and the results obtained.
- b) All expenses were billed at actual cost, exclusive of amortization of the cost of investment, equipment or capital outlay. Internal charges for outgoing out-of-town facsimile transmissions were billed at \$1.00 per page for domestic transmissions. Photocopy charges were billed at actual cost for external copying and \$.15 per page for internal copying. FTI P&M believes that these charges reflect its actual out-of-pocket costs. An adjustment of \$126.55 to expenses related to a preliminary review by the fee auditor has been reflected in our calculations and the adjustment is explained in Exhibit G.
- c) The disbursements and expenses have been incurred in accordance with FTI P&M's normal practice of charging clients for expenses clearly related to and required by particular matters. Such expenses were often incurred to enable FTI P&M to devote time beyond normal office hours to matters that imposed extraordinary time demands. FTI P&M has endeavored to minimize these expenses to the fullest extent possible.
- d) FTI P&M expended an aggregate of 539.5 hours, substantially all of which was expended by the professional staff of FTI P&M. The work involved, and thus the time expended, was carefully assigned in light of the experience and expertise required for a particular task. A small staff was utilized to optimize efficiencies and avoid redundant efforts. The staff of the Debtors or their advisors has been utilized where practical and prudent.
- e) FTI P&M's approach is to utilize senior, experienced personnel and to encourage the Debtors to provide the staff-level support and analysis to minimize total cost. In addition, FTI P&M's per diem rates for professionals of comparable experience are 15% to 25%

lower than its competitors, the "Big-Five" accounting firms and certain other nationally-recognized specialty firms.

- f) Because FTI P&M's core staff consisted of senior professionals who performed a vast amount of the work, time spent communicating internally and reviewing the work product of junior associates was kept to a minimum. Additionally, because of the experience of FTI P&M's professionals, in many instances only one or two FTI P&M representatives attended meetings or conference calls or performed specific functions.
- g) Edwin N. Ordway, Jr., Managing Director in charge of this case, directed the activities of the FTI P&M team, calling upon his more than ten years of experience in restructuring and insolvency matters, including more than 100 cases, many as large and complex, and some larger and more complex than this matter.
- h) To the best of the Applicant's knowledge and belief, there has been no duplication of services between the Applicant and any other accountants or consultants to the bankruptcy estate.
- i) FTI P&M's travel time policy is for professional personnel to travel outside of business hours when possible. Such time is not charged to a client unless productive work is performed during the travel period. In this engagement, non-productive travel time is not being charged to the Debtor.
- j) In providing a reimbursable service such as copying or telephone, the Applicant does not make a profit on that service. In charging for a particular service, FTI P&M does not include in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment or capital outlay. In seeking reimbursement for a service which the Applicant justifiably purchased or contracted for from a third party, FTI P&M requests reimbursement only for the amount billed to FTI P&M by such third party vendor and paid by FTI P&M to that vendor.
- k) FTI P&M's policy with respect to document preparation and handling services provided by FTI P&M employees is to bill clients by the hour for such time, but only if the employees' time is clearly and exclusively devoted to work performed for that particular client, such as for the preparation, collation and binding of a report for a client. Such services are billed to the Debtor at a rate commensurate with that which would be charged by a third party provider such as a temporaries agency.
- l) Annexed hereto as Exhibit B, Exhibit C and Exhibit D are the monthly interim applications that include the detail of the services performed by the Applicant during the each monthly period at the direction of the Committee and its Counsel.
- m) Annexed hereto as Exhibit E is a summary of fees by professional and by task during the Fifth Quarterly Interim Period.
- n) Annexed hereto as Exhibit F is a summary of expenses for the Fifth Quarterly Interim Period.

- o) Annexed hereto as Exhibit G is an explanation of an adjustment of \$126.55 to expenses submitted during the Fifth Quarterly Interim Period. The adjustment is the result of a preliminary review by the fee auditor.
 - p) Pursuant to Rule 2016, FTI P&M states that no compensation to be received in this proceeding will be shared with any person or entity outside of FTI P&M and that no compensation has been paid or promised to the Applicant in connection with the compensation sought in this Application except as disclosed herein. No prior application has been made to this or any other Court for the relief requested herein for the Compensation Period, nor has any payment been received by FTI P&M on account of its accounting and financial advisory services rendered or on account of the out-of-pocket expenses incurred in connection therewith.
 - q) As stated in the Affidavit of Edwin N. Ordway, Jr. annexed hereto as Exhibit A, all of the services for which interim compensation is sought herein were rendered for and on behalf of the Committee solely in connection with these cases.
8. The detail of services provided by FTI P&M during the Fee Period is included in the monthly fee applications attached as Exhibit B, Exhibit C, and Exhibit D. A brief summary of the services provided by FTI P&M during the Fee Period is provided as follows:
- a) Task Code 2 – Asbestos: Claims Analysis and Valuations (2.6 Hours)

During the Fee Period we prepared a memorandum regarding the status of the Debtors' asbestos issues.
 - b) Task Code 12 – Business Analysis (394.1 Hours)

During the Fee Period, we analyzed fraudulent conveyance issues in connection with court actions filed concerning the Debtors' Sealed Air and Fresenius transactions. We read and prepared analyses and reports of the proposed changes to the Debtors' employee compensation and retention programs. We incorporated the results of our research of comparable peer company programs into our report. We analyzed various financial statements of the Debtors' and issued reports on same, including the fourth quarter 2001 results of operations, first quarter 2002 results of operations and the monthly operating statements issued during the Fee Period. We analyzed the 2002 business plan and issued a report of summarizing our analyses thereon. We analyzed economic and industry reports to continue to monitor the operating and competitive environments of the Debtors.

c) Task Code 17 – Committee Matters and Creditor Meetings (50.1Hours)

During the Fee Period, we participated in numerous discussions with the Debtors and their representatives, the Committee and counsel, on various issues, including fraudulent conveyance, employee compensation and retention programs, fourth quarter 2001 results of operations, first quarter 2002 results of operations, and the 2002 business plan. We also discussed new procedures regarding fee applications with counsel.

d) Task Code 18 – Compensation of Professionals (84.8 Hours)

During the Fee Period, we prepared and filed the Twelfth Interim Fee Application, the Thirteenth Interim Fee Application, and the Fourteenth Interim Fee Application. We prepared the Fourth Quarterly Interim Fee Application. We prepared information regarding past fee applications for the fee auditor. We reviewed the revised administrative order with respect to monthly interim fee applications and quarterly interim fee applications. We also prepared a response to the fee auditor's draft report.

e) Task Code 47 – Tax/General (7.9 Hours)

During the Fee Period, we analyzed tax return information of the Debtors' and prepared a summary of our analysis.

Relief Requested

- f) By this Fifth Quarterly Fee Application, FTI P&M requests that the Court approve the interim allowance of compensation for professional services rendered and the reimbursement of actual and necessary expenses incurred by FTI P&M for the Fee Period, and as detailed in the April to June Monthly Applications, less the amounts previously paid to FTI P&M pursuant to the procedures set forth in the Administrative Fee Order and Amendment.¹ As stated above, the full scope of services provided and the related expenses incurred are fully

¹ FTI P&M reserves the right to seek at a later date compensation for services rendered and reimbursement for expenses incurred during the April through June 2002 period that are not otherwise included in the relevant April to June Monthly Applications.

described in the April to June Monthly Applications, which are attached hereto as Exhibits B through D.

Disinterestedness

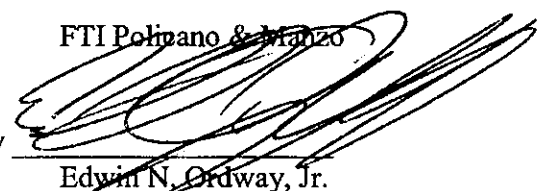
- g) As disclosed in the affidavit of Edwin N. Ordway, Jr., (the "Affidavit") FTI P&M does not hold or represent any interest adverse to the estates, and had been, at all relevant times, a disinterested person as that term is defined in section 101(4) of the Bankruptcy Code as modified by section 1107 of the Bankruptcy Code.
- h) FTI P&M may have in the past represented, may currently represent, and likely in the future will represent parties-in-interest in connection with matters unrelated to the Debtors and the chapter 11 cases. FTI P&M disclosed in its Retention Application its connections to parties-in-interest that it has been able to ascertain using its reasonable efforts. FTI P&M will provide supplemental Affidavits when necessary and when FTI P&M becomes aware of material new information.

WHEREFORE, FTI P&M respectfully requests that the Court enter an order, substantially in the form attached hereto

- (a) granting FTI P&M an allowance of (i) \$195,700.00 as compensation for reasonable and necessary professional services rendered to the Committee, less \$0.00 previously paid, and (ii) of \$8,119.58 for reimbursement of actual and necessary costs and expenses incurred, less \$0.00 previously paid, for a total of \$203,819.58 owing and unpaid, for the Fee period from April 1, 2002 through June 30, 2002;

- (b) authorizing and directing the Debtors to pay to FTI P&M the outstanding amount of such sums; and
- (c) granting such other and further relief as this Court may deem just and proper.

Date: August 9, 2002

FTI Policano & Manzo

By _____
Edwin N. Ordway, Jr.
FTI Policano & Manzo
Park 80 West, Plaza I
Saddle Brook, NJ 07663
(201) 843-4900

Index to Exhibits

Exhibit A	Affidavit
Exhibit B	Fee Application for the Period April 1 – April 30, 2002
Exhibit C	Fee Application for the Period May 1 – May 31, 2002
Exhibit D	Fee Application for the Period June 1 – June 30, 2002
Exhibit E	Summary Schedules of Fees for the Quarter
Exhibit F	Summary Schedule of Expenses for the Quarter
Exhibit G	Explanation of Adjustment to Expenses for the Quarter

Exhibit A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
W.R. GRACE & CO., <u>et al.</u>)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors.)	
)	Objection Deadline: To Be Determined
)	Hearing Date: To Be Determined

AFFIDAVIT

STATE OF NEW JERSEY)
) ss:
COUNTY OF BERGEN)

EDWIN N. ORDWAY, JR., being duly sworn, deposes and says:

1. I am a Managing Director of FTI Policano & Manzo, ("FTI P&M"), an operating unit of FTI Consulting, Inc. ("FTI"), and I am duly authorized to make this affidavit on behalf of FTI P&M. FTI P&M provides financial consulting services for restructuring matters and has its principal office at Park 80 West Plaza I, Saddle Brook, New Jersey. FTI P&M has provided financial consulting services to and has rendered professional services on behalf of the Official Committee of Unsecured Creditors (the "Committee") of W. R. Grace & Co., and sixty-one of its domestic subsidiaries and affiliates which are debtors and debtors-in-possession before this Court.

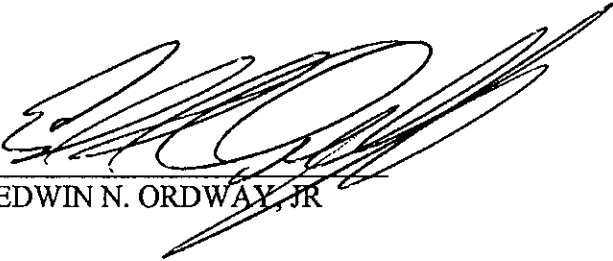
2. This affidavit is submitted pursuant to Bankruptcy Rule 2016(a) in support of FTI P&M's Fifth Quarterly interim application for compensation for services and for reimbursement of expenses for services rendered during the period from April 1, 2002 through and including June 30, 2002 in the aggregate amount of \$203,819.58, of which \$203,819.58 has not yet been paid.

3. All services for which compensation is requested by FTI P&M were professional services performed for and on behalf of the Committee from April 1, 2002 through and including June 30, 2002 and not on behalf of any other person.

4. In accordance with Title 18 U.S.C. Section 155, neither I nor any employee of my firm has entered into any agreement, express or implied, with any other party-in-interest for the

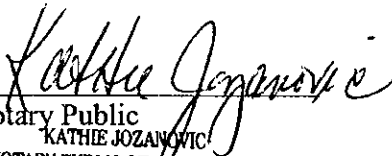
purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the Debtors' assets.

5. In accordance with Section 504 of the Bankruptcy Code, no agreement or understanding exists between me, my firm, or any employee thereof, on the one hand, and any other person, on the other hand, for division of such compensation as my firm may receive for services rendered in connection with these cases, nor will any division of fees prohibited by Section 504 of the Bankruptcy Code be made by me or any employee of my firm.



EDWIN N. ORDWAY, JR

Sworn to before me this
9TH day of August, 2002



Notary Public
KATHIE JOZANOVIC
NOTARY PUBLIC OF NEW JERSEY
COMMISSION EXPIRES 09/11/05

Exhibit B

Fee Application for the period

April 1 – April 30, 2002

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FOR THE DISTRICT OF DELAWARE

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In re:

Chapter 11

W.R. GRACE & Co., et al.,

Case No. 01-01139 (JKF)
(Jointly Administered)

Debtors

THIRTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
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RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM APRIL 1, 2002 THROUGH APRIL 30, 2002)

Name of Applicant:	FTI Policano & Manzo
Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors
Date of Retention:	June 21, 2001
Period for which compensation and reimbursement is sought:	April 1, 2002 through April 30, 2002
Amount of Compensation sought as actual, reasonable and necessary (80% of \$102,314.00):	\$81,851.20
Amount of Expense Reimbursement sought as actual, reasonable and necessary (100%):	\$ 4,657.40
This is an: <u> X </u> interim <u> </u> final application	

The total time expended for fee application preparation is approximately 40.1 hours and corresponding compensation requested is approximately \$14,132.50. The time expended included time spent on preparation of the twelfth interim fee application, the fourth quarterly fee application and conversion of prior fee applications and data to formats for the fee auditor in compliance with the revised case administrative order.

This is the THIRTEENTH application filed. Disclosure for prior periods and current period is as follows:

THIRTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
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RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
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**ATTACHMENT A
TO FEE APPLICATION**

Requested					
Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees	Expenses
June 28, 2001	April 20, 2001 through April 30, 2001	\$16,008.00	\$667.95	\$12,806.40 (80% of requested fees)	\$667.95
June 28, 2001	May 1, 2001 through May 31, 2001	\$104,081.50	\$2,513.09	\$83,265.20 (80% of requested fees)	\$2,513.09
July 28, 2001	June 1, 2001 through June 30, 2001	\$75,916.00	\$3,913.13	\$60,732.80 (80% of requested fees)	\$3,913.13
August 28, 2001	July 1, 2001 through July 31, 2001	\$71,989.50	\$3,871.54	\$57,591.60 (80% of requested fees)	\$3,871.14
September 28, 2001	August 1, 2001 through August 31, 2001	\$70,425.00	\$1,092.45	\$56,340.00 (80% of requested fees)	\$1,092.45
October 30, 2001	September 1, 2001 through September 30, 2001	\$104,816.50	\$3,028.40	\$83,853.20 (80% of requested fees)	\$3,028.40
November 29, 2001	October 1, 2001 through October 31, 2001	\$42,643.00	\$3,670.86	\$34,114.40 (80% of requested fees)	\$3,670.86
December 28, 2001	November 1, 2001 through November 30, 2001	\$50,048.50	\$1,864.72	\$40,038.80 (80% of requested fees)	\$1,864.72
January 28, 2002	December 1, 2001 through December 31, 2001	\$53,986.50	\$1,005.29	\$43,189.20 (80% of requested fees)	\$1,005.29
February 28, 2002	January 1, 2002 through January 31, 2002	\$63,207.00	\$2,549.70	\$50,565.60 (80% of requested fees)	\$2,549.70
March 28, 2002	February 1, 2002 through February 28, 2002	\$27,249.50	\$1,874.43	\$21,799.60 (80% of requested fees)	\$1,874.43

THIRTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
 FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
 CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
 RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM APRIL 1, 2002 THROUGH APRIL 30, 2002)

**ATTACHMENT A
 TO FEE APPLICATION**

Date Filed (on or about)	Period Covered	Requested		Fees	Expenses
		Fees (100%)	Expenses (100%)		
April 28, 2002	March 1, 2002 through March 31, 2002	\$106,680.50	\$1,919.09	\$85,344.40 (80% of requested fees)	\$1,919.09
May 29, 2002	April 1, 2002 through April 30, 2002	\$102,314.00	\$4,657.40	\$81,851.20	\$4,657.40

THIRTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM APRIL 1, 2002 THROUGH APRIL 30, 2002)

**ATTACHMENT B
TO FEE APPLICATION**

Name of Professional Person	Hourly Billing Rate (including changes)	Total Billed Hours	Total Compensation
E. Ordway	\$550	12.1	\$6,655.00
S. Cunningham	\$440	32.6	\$14,344.00
C. Whitney	\$375	42.9	\$16,087.50
W. Gilligan	\$375	69.5	\$26,062.50
L. Hamilton	\$350	92.1	\$32,235.00
J. Schwendeman	\$325	12.0	\$3,900.00
M. Hakoun	\$150	20.2	\$3,030.00
Grand Total:		281.4	\$102,314.00
Blended Rate:	\$364		

COMPENSATION BY PROJECT CATEGORY

Task Code	Project Category	Total Hours	Total Fees
2	Asbestos: Claims Analysis and Valuations	2.6	\$910.00
12	Business Analysis	200.3	\$72,058.50
17	Committee Matters and Creditor Meetings	30.5	\$12,448.00
18	Compensation of Professionals	40.1	\$14,132.50
47	Tax/General	7.9	2,765.00
	Total	281.4	\$102,314.00

THIRTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
 FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
 CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
 RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM APRIL 1, 2002 THROUGH APRIL 30, 2002)

EXPENSE SUMMARY

Expense Category	Total Expenses
Copies	\$222.20
Telecommunications	\$918.88
Postage, Express Delivery	\$14.32
Travel Expenses	\$547.00
Word Processing Services	\$15.00
Document Preparation and Handling Services	\$900.00
Seminar Costs	\$2,040.00
Total	\$4,657.40

Invoice

W.R. GRACE & CO. ET. AL.
Summary of Fees by Professional
For the period April 1, 2002 through April 30, 2002

	<u>Total</u> <u>Hours</u>	<u>Billing</u> <u>Rate</u>	<u>Amount</u>
E. Ordway	12.1	\$ 550	\$ 6,655.00
S. Cunningham	32.6	\$ 440	14,344.00
C. Whitney	42.9	\$ 375	16,087.50
W. Gilligan	69.5	\$ 375	26,062.50
L. Hamilton	92.1	\$ 350	32,235.00
J. Schwendeman	12.0	\$ 325	3,900.00
M. Hakoun	20.2	\$ 150	3,030.00
 TOTAL	 <u>281.4</u>		 <u>\$ 102,314.00</u>

Invoice

W.R. GRACE & CO. ET. AL.
 Summary of Fees by Category
 For the period April 1, 2002 through April 30, 2002

<u>TASK CODE</u>	<u>TASK</u>	<u>E. Ordway</u>	<u>S. Cunningham</u>	<u>C. Whitney</u>	<u>W. Gilligan</u>	<u>L. Hamilton</u>	<u>J. Schwendeman</u>	<u>M. Hakoun</u>	<u>TOTAL</u>
2	Asbestos: Claims Analysis and Valuations	\$ -	\$ -	\$ -	\$ -	\$ 910.00	\$ -	\$ -	\$ 910.00
12	Business Analysis (primarily for accountants and financial advisors)	5,665.00	8,976.00	14,100.00	21,862.50	14,525.00	3,900.00	3,030.00	72,058.50
17	Committee Matters and Creditor Meetings	770.00	5,368.00	1,987.50	3,937.50	385.00	-	-	12,448.00
18	Compensation of Professionals (Fee Applications of self and others)	220.00	-	-	262.50	13,650.00	-	-	14,132.50
47	Tax/General	-	-	-	-	2,765.00	-	-	2,765.00
	TOTAL	\$ 6,655.00	\$ 14,344.00	\$ 16,087.50	\$ 26,062.50	\$ 32,235.00	\$ 3,900.00	\$ 3,030.00	\$ 102,314.00
	Rate	\$ 550	\$ 440	\$ 375	\$ 375	\$ 350	\$ 325	\$ 150	

Invoice

W.R. GRACE & CO. ET AL.
 Summary of Hours by Professional
 For the period April 1, 2002 through April 30, 2002

TASK CODE	TASK	<u>E. Ordway</u>	<u>S. Cunningham</u>	<u>C. Whitney</u>	<u>W. Gilligan</u>	<u>L. Hamilton</u>	<u>J. Schwendeman</u>	<u>M. Hakoun</u>	TOTAL
2	Asbestos: Claims Analysis and Valuations	0.0	0.0	0.0	0.0	2.6	0.0	0.0	2.6
12	Business Analysis (primarily for accountants and financial advisors)	10.3	20.4	37.6	58.3	41.5	12.0	20.2	200.3
17	Committee Matters and Creditor Meetings	1.4	12.2	5.3	10.5	1.1	0.0	0.0	30.5
18	Compensation of Professionals (Fee Applications of self and others)	0.4	0.0	0.0	0.7	39.0	0.0	0.0	40.1
47	Tax/General	0.0	0.0	0.0	0.0	7.9	0.0	0.0	7.9
	TOTAL	12.1	32.6	42.9	69.5	92.1	12.0	20.2	281.4

Invoice

W.R. GRACE & CO. ET AL.
Professional Services Rendered by Edwin N. Ordway, Jr.
For the period April 1, 2002 through April 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
3-Apr	12	Read motions and other data regarding fraudulent conveyance issues.	1.8
4-Apr	12	Read and analyzed revised KERP proposals.	0.8
5-Apr	12	Read and analyzed data regarding fraudulent conveyance issues.	1.4
	17	Called counsel to discuss fraudulent conveyance issues.	0.5
	12	Prepared and edited report for Committee regarding KERP proposal.	2.9
10-Apr	12	Prepared and edited report for the Committee regarding Debtors' business plan.	1.5
12-Apr	12	Prepared and reviewed presentation material for April 15th meeting with the Committee.	1.9
15-Apr	17	Prepared outline of next steps for discussion with Committee.	0.4
17-Apr	17	Participated in conference call with Committee member to discuss case status.	0.5
22-Apr	18	Prepared fee application.	0.4
		Total Hours - April	<u><u>12.1</u></u>

Invoice

W.R. GRACE & CO. ET AL.
Professional Services Rendered by Sean Cunningham
For the period April 1, 2002 through April 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
1-Apr	12	Researched fraudulent conveyance motions pertaining to Sealed Air and Fresenius.	1.3
	17	Discussed outline of proposed agenda for 4/15 meeting with Debtors and Committee.	0.2
4-Apr	12	Prepared hypothetical recovery analyses utilizing various asbestos and fraudulent conveyance recovery assumptions.	2.4
	17	Discussed fraudulent conveyance issues with counsel.	0.4
	17	Read and discussed various Committee motions with counsel.	0.4
5-Apr	12	Prepared analysis pertaining to the Debtors' proposed LTIP and retention plans.	2.2
	12	Reviewed and edited draft report of findings to be presented to Committee on 4/15.	1.1
8-Apr	12	Finalized analysis of peer group (asbestos companies) KERP plans.	0.5
9-Apr	17	Participated in conference call with counsel to review findings pertaining to modifications to the existing KERP plan proposed by Debtors.	1.4
11-Apr	12	Read and analyzed February 2002 operating results, Q4 2001 and full year results in preparation for meeting of Committee and Debtors scheduled for 4/15.	2.6
12-Apr	12	Finalized analysis related to 2002 business plan prepared by Debtors.	1.2
	12	Finalized report to Committee pertaining to FY 2002 business plan.	1.2
14-Apr	12	Read and analyzed information pertaining to Debtors' KERP proposal.	1.1
	12	Read and analyzed information submitted to Committee in preparation for 4/15 meeting with Debtors.	1.4
15-Apr	17	Participated in meeting of Committee prior to presentation of business plan update by Debtors.	0.6

	17	Participated in Debtors' presentation of FY 2002 business plan and KERP proposal	4.5
	17	Participated in followup meeting and presented observations regarding FY 2002 business plan and KERP Proposal.	1.4
17-Apr	12	Prepared follow up information request list regarding salary information supporting KERP.	0.5
	17	Discussed KERP proposal with Blackstone.	0.2
18-Apr	12	Read and analyzed update prepared by Stroock regarding fraudulent conveyances.	1.0
	12	Read and analyzed update regarding establishment of bar date and related procedures.	0.3
22-Apr	12	Read and analyzed Hewitt memo regarding KERP.	0.2
	17	Discussed KERP information request with Blackstone.	0.4
24-Apr	12	Analyzed industry data regarding comparative salaries at competitors.	0.4
	12	Analyzed information regarding KERP structures at other asbestos liability companies.	0.4
25-Apr	12	Analyzed information regarding KERP structures at other asbestos liability companies and at competitors.	0.6
	17	Discussed fraudulent conveyance information with counsel.	0.4
26-Apr	17	Discussed status of information request regarding KERP proposal with Blackstone.	0.7
	17	Discussed pending acquisition with counsel.	0.2
28-Apr	12	Prepared questions related to KERP proposal in advance of conference call with Blackstone and Debtors.	0.4
	12	Reviewed information pertaining to KERP proposal received from Blackstone.	1.2
30-Apr	17	Participated in conference call with Blackstone and Debtors' management to review KERP proposal and other matters.	1.4
	12	Prepared summary of KERP discussion.	0.4
Total Hours - April			<u><u>32.6</u></u>

Invoice

W.R. GRACE & CO. ET AL.
Professional Services Rendered by Christina Whitney
For the period April 1, 2002 through April 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
4-Apr	12	Finalized and distributed report to Committee on 4th Quarter performance.	4.5
5-Apr	12	Performed an analysis of gross margin by division and drafted message to Blackstone with follow-up questions.	2.0
7-Apr	12	Prepared draft of report on Debtors' 2002 business plan.	8.0
8-Apr	12	Continued to prepare draft of report on Debtors' 2002 business plan.	3.6
9-Apr	12	Discussed draft of 2002 business plan report with case manager and updated report to reflect edits.	3.4
	12	Prepared EBITDA sensitivity analysis.	3.0
10-Apr	12	Updated 2002 business plan report to reflect edits.	5.6
11-Apr	12	Reviewed updated 2002 business plan report.	1.5
12-Apr	12	Updated 2002 business plan report for final changes.	2.3
	17	Coordinated Committee meeting logistics with counsel and Blackstone.	1.4
	17	Discussed 2002 business plan report with agent.	0.4
	12	Discussed follow-up questions on the 2002 business plan with Debtors and reviewed updated 2002 operating plan files.	1.3
	12	Distributed 2002 business plan report to the Committee.	0.1
15-Apr	12	Prepared handouts for distribution at Committee meeting.	1.5
	12	Met with team prior to Committee meeting to discuss case status.	0.8
	17	Attended Committee meeting.	3.5
		Total Hours - April	<u><u>42.9</u></u>

Invoice**WR Grace**

**Professional Services Rendered by Walter Gilligan
For the period April 1, 2002 through April 30, 2002**

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
1-Apr	12	Prepared presentation regarding proposed KERP changes.	5.8
2-Apr	12	Prepared working capital analysis of long-term financial plan.	2.1
	12	Prepared presentation regarding proposed changes to the KERP.	3.1
3-Apr	17	Participated in conference call with Blackstone regarding KERP proposal.	0.6
	12	Read and analyzed post-transaction proforma financial statements regarding fraudulent conveyance issues.	0.9
4-Apr	12	Revised presentation on proposed KERP.	4.3
	12	Read and edited competitor analysis regarding specialty chemical peer companies.	1.7
5-Apr	12	Read and edited presentation regarding proposed changes to KERP.	2.7
	12	Prepared gross margin sensitivity analysis for 2002 business plan.	6.3
8-Apr	12	Read and edited revised presentation regarding proposed changes to KERP.	2.1
	12	Continued to prepare gross margin sensitivity analysis for 2002 business plan.	2.9
	12	Continued to prepare gross margin sensitivity analysis for 2002 business plan.	6.2
9-Apr	12	Read and edited 2002 operating business plan presentation.	4.5
	17	Participated in conference call with counsel to review changes to KERP.	3.5
10-Apr	12	Read and analyzed Debtors' monthly financial report and prepared first quarter variance analysis.	4.2
	12	Read and edited revised presentation regarding proposed changes to KERP.	1.8
11-Apr	12	Read and edited 2002 business plan presentation.	4.0

12-Apr	12	Continued to read and edit 2002 business plan presentation.	1.9
	12	Read and analyzed asbestos litigation research information.	1.1
15-Apr	17	Participated in Committee meeting regarding 2002 business plan and revised KERP.	5.0
16-Apr	12	Prepared information request for KERP including followup questions from Committee meeting.	1.3
	18	Read and edited fee application.	0.7
23-Apr	12	Prepared memo to Committee Chair regarding KERP.	1.2
29-Apr	12	Prepared information for conference call with Blackstone regarding KERP.	0.2
30-Apr	17	Participated in conference call with Blackstone regarding KERP.	1.4
		Total Hours - April	<u><u>69.5</u></u>

Invoice

W.R. GRACE & CO. ET. AL.
Professional Services Rendered by Libby Hamilton
For the period April 1, 2002 through April 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
1-Apr	2	Prepared draft memorandum regarding status of asbestos issues.	2.6
	12	Updated court docket listing.	0.9
	17	Prepared monthly report for distribution to Committee.	1.1
	12	Read and analyzed information regarding fraudulent conveyances.	0.4
2-Apr	12	Updated fourth quarter report.	0.3
	18	Prepared information regarding past fee applications for fee auditor.	1.7
	12	Prepared memorandum regarding fraudulent conveyances.	4.5
3-Apr	18	Prepared information regarding past fee applications for fee auditor.	2.2
	12	Continued to prepare memorandum regarding fraudulent conveyances.	4.8
4-Apr	18	Prepared information regarding past fee applications for fee auditor.	1.0
	12	Revised fraudulent conveyance memo for comments.	3.0
5-Apr	12	Finalized fraudulent conveyance memo.	2.1
	18	Prepared twelfth interim fee application.	1.9
8-Apr	12	Prepared information regarding asbestos issues for inclusion in business plan report.	2.8
	18	Continued to prepare twelfth interim fee application.	2.2
9-Apr	12	Reviewed changes to notice parties per the new case administrative order.	0.4

	12	Read and edited the 2002 business plan report.	3.6
	12	Researched confidentiality agreement at request of counsel.	2.0
10-Apr	18	Continued to prepare twelfth interim fee application.	4.3
11-Apr	12	Prepared KERP report for distribution.	1.0
	18	Continued to prepare twelfth interim fee application.	2.2
	12	Updated court docket listing.	0.4
15-Apr	12	Updated court docket listing.	0.3
	18	Continued to prepare twelfth interim fee application.	0.7
	47	Read and analyzed tax return information.	4.5
16-Apr	18	Continued to prepare twelfth interim fee application.	2.8
	47	Prepared memo summarizing review of tax return information.	3.4
	12	Read court order and prepared memo regarding bar dates.	1.2
17-Apr	12	Read and analyzed information regarding executive compensation.	1.5
	18	Continued to prepare twelfth interim fee application.	3.5
	12	Updated court docket listing.	0.2
23-Apr	18	Prepared fourth quarterly fee application.	4.1
	18	Continued to prepare twelfth interim fee application.	0.9
25-Apr	18	Continued to prepare fourth quarterly fee application.	3.0
	18	Discussed new administrative order with counsel staff.	0.5
26-Apr	18	Continued to prepare fourth quarterly fee application.	1.4
	18	Discussed new administrative order with counsel staff.	0.6
	18	Prepared information regarding past fee applications for fee auditor.	4.2
	12	Prepared distribution of Debtors' first quarter earnings report to Committee.	2.3

29-Apr	12	Updated contact list information after discussion with counsel.	0.2
	18	Prepared summary of changes due to revised administrative order.	1.8
	12	Updated court docket listing.	0.5
30-Apr	12	Prepared analysis of executive compensation from proxy data.	9.1
		Total Hours - April	<u><u>92.1</u></u>

Invoice**W.R. GRACE & CO. ET. AL.**

Professional Services Rendered by Jeffrey E. Schwendeman
 For the period April 1, 2002 through April 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
1-Apr	12	Prepared analysis of recent news and industry trade reports related to recent asbestos litigation negotiations for the Debtors and competitors.	0.9
4-Apr	12	Prepared analysis of economic and peer group projections of construction industry segments regarding intermediate and long-term industry growth assumptions.	1.1
8-Apr	12	Prepared analysis of current asbestos litigation news and status of cases.	1.2
22-Apr	12	Commenced preparation of senior management compensation analysis for comparison to current Debtors' compensation structure.	3.3
23-Apr	12	Prepared analysis of economic and peer group projections of construction industry segments regarding intermediate and long-term industry growth assumptions.	0.9
24-Apr	12	Prepared senior management compensation analysis for industrial construction companies.	2.1
25-Apr	12	Prepared senior management compensation analysis for industrial construction companies.	1.0
24-Apr	12	Finalized analysis of senior management compensation for industrial construction companies	1.5
Total Hours - April			<u><u>12.0</u></u>

Invoice

W.R. GRACE & CO. ET.AL.
Professional Services Rendered by Matt Hakoun
For the period April 1, 2002 through April 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
1-Apr	12	Met with case team members regarding compensation analysis work to be performed and began gathering filings made with bankruptcy courts regarding retention of key employees.	1.0
2-Apr	12	Continued gathering employee retention plans for asbestos-related bankruptcies.	2.0
	12	Gathered long term Incentive plan information for analysis.	1.5
11-Apr	12	Gathered information and prepared schedule of employment rates for top tier employees at selected specialty chemical and asbestos manufacturers.	1.7
17-Apr	12	Reviewed preliminary compensation model template with case team members.	0.3
	12	Entered compensation data into model, including bonus, retention bonus, stock options and other long term incentives.	1.0
18-Apr	12	Reviewed status of the compensation analysis with case team members and made selected adjustments.	1.1
19-Apr	12	Gathered analysts' reports on specialty chemical and asbestos manufacturers and distributed to group members.	2.1
23-Apr	12	Distributed quarterly financial statements that were filed with the SEC to case team.	0.5
	12	Discussed fees charged by independent accountants and auditors to selected peer group companies with case team members. Began accessing filings in which terms and descriptions of fees were disclosed.	1.5
24-Apr	12	Revised compensation analysis in response to manager comments.	4.0
25-Apr	12	Prepared compensation analysis based upon 2001 long term incentive payments to tier level participants.	2.0
26-Apr	12	Gathered specified articles related to asbestos litigation and liabilities	0.5
	12	Updated database with selected bankruptcy court motions and orders.	1.0
		Total Hours - April	<u><u>20.2</u></u>

Invoice

W.R. GRACE & CO. ET. AL.

Summary of Expenses by Type of Expense

For the period April 1, 2002 through April 30, 2002

Copies:	
Internal	\$ 222.20
External	-
Telecommunications:	
Telephone	262.50
Toll Charges	376.38
Facsimile	280.00
Postage, Federal Express	14.32
Travel Expenses:	
Transportation, lodging, tolls and parking	547.00
Meals	-
Word Processing Services	15.00
Document Preparation and Handling Services	900.00
Seminar Costs	2,040.00
Total Expenses	<u>\$ 4,657.40</u>

Invoice

W.R. GRACE & CO. ET. AL.
Detail of Expenses by Type of Expense
For the period April 1, 2002 through April 30, 2002

<u>Copies, Internal</u>	1,111	pages @ \$0.20/page:	\$	222.20
<u>Facsimile Charges:</u>	224.00	pages @ \$1.25/page:		280.00
<u>Telephone Charges:</u>				
	NY			5.17
	Saddle Brook			257.33
		Subtotal		262.50
<u>Toll Charges:</u>				
	Online research fees			376.38
		Subtotal		376.38
<u>Postage, Federal Express:</u>	Airborne	29-Apr		14.32
		Subtotal		14.32
<u>Transportation, lodging, tolls and parking:</u>				
	S. Cunningham	Milage	16-Apr	10.80
	S. Cunningham	Parking	16-Apr	25.00
	C. Whitney	Car rental	19-Mar	104.00
	C. Whitney	Car rental	29-Mar	205.50
	C. Whitney	Car rental	10-Apr	201.70
		Subtotal		547.00
<u>Meals:</u>				
<u>Word Processing Services:</u>				
	P. Foose	0.20 hours @ \$75/hour:		15.00
		Subtotal		15.00
<u>Document Preparation and Handling Services:</u>				
	N. Backer	11.5 hours @ \$75/hour:		862.50
	E. Polukord	0.5 hours @ \$75/hour:		37.50
		Subtotal		900.00
<u>Seminar Costs</u>				
	24-Apr	Asbestos Conference		2,040.00
		Total		<u><u>4,657.40</u></u>

Exhibit C

Fee Application for the period

May 1 – May 31, 2002

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X

In re:

Chapter 11

W.R. GRACE & Co., et al.,

Case No. 01-01139 (JKF)
(Jointly Administered)

Debtors

FOURTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM MAY 1, 2002 THROUGH MAY 31, 2002)

Name of Applicant:

FTI Policano & Manzo

Authorized to Provide Professional Services to:

The Official Committee of
Unsecured Creditors

Date of Retention:

June 21, 2001

Period for which compensation and
reimbursement is sought:

May 1, 2002 through
May 31, 2002

Amount of Compensation sought

as actual, reasonable and necessary (80% of \$50,027.00):

\$40,021.60

Amount of Expense Reimbursement sought

as actual, reasonable and necessary (100%):

\$ 2,207.14

This is an: X interim final application

The total time expended for fee application preparation is approximately 16.0 hours and corresponding compensation requested is approximately \$5,680.00. The time expended included time spent on preparation of the thirteenth interim fee application.

This is the FOURTEENTH application filed. Disclosure for prior periods and current period is as follows:

FOURTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM MAY 1, 2002 THROUGH MAY 31, 2002)

**ATTACHMENT A
TO FEE APPLICATION**

Requested					
Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees	Expenses
June 28, 2001	April 20, 2001 through April 30, 2001	\$16,008.00	\$667.95	\$12,806.40 (80% of requested fees)	\$667.95
June 28, 2001	May 1, 2001 through May 31, 2001	\$104,081.50	\$2,513.09	\$83,265.20 (80% of requested fees)	\$2,513.09
July 28, 2001	June 1, 2001 through June 30, 2001	\$75,916.00	\$3,913.13	\$60,732.80 (80% of requested fees)	\$3,913.13
August 28, 2001	July 1, 2001 through July 31, 2001	\$71,989.50	\$3,871.54	\$57,591.60 (80% of requested fees)	\$3,871.14
September 28, 2001	August 1, 2001 through August 31, 2001	\$70,425.00	\$1,092.45	\$56,340.00 (80% of requested fees)	\$1,092.45
October 30, 2001	September 1, 2001 through September 30, 2001	\$104,816.50	\$3,028.40	\$83,853.20 (80% of requested fees)	\$3,028.40
November 29, 2001	October 1, 2001 through October 31, 2001	\$42,643.00	\$3,670.86	\$34,114.40 (80% of requested fees)	\$3,670.86
December 28, 2001	November 1, 2001 through November 30, 2001	\$50,048.50	\$1,864.72	\$40,038.80 (80% of requested fees)	\$1,864.72
January 28, 2002	December 1, 2001 through December 31, 2001	\$53,986.50	\$1,005.29	\$43,189.20 (80% of requested fees)	\$1,005.29
February 28, 2002	January 1, 2002 through January 31, 2002	\$63,207.00	\$2,549.70	\$50,565.60 (80% of requested fees)	\$2,549.70
March 28, 2002	February 1, 2002 through February 28, 2002	\$27,249.50	\$1,874.43	\$21,799.60 (80% of requested fees)	\$1,874.43

FOURTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM MAY 1, 2002 THROUGH MAY 31, 2002)

ATTACHMENT A
TO FEE APPLICATION

Date Filed (on or about)	Period Covered	Requested			
		Fees (100%)	Expenses (100%)	Fees	Expenses
April 28, 2002	March 1, 2002 through March 31, 2002	\$106,680.50	\$1,919.09	\$85,344.40 (80% of requested fees)	\$1,919.09
May 29, 2002	April 1, 2002 through April 30, 2002	\$102,314.00	\$4,657.40	\$81,851.20	\$4,657.40
June 28, 2002	May 1, 2002 through May 31, 2002	\$50,027.00	\$2,207.14	\$40,021.60	\$2,207.14

FOURTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
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RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM MAY 1, 2002 THROUGH MAY 31, 2002)

**ATTACHMENT B
TO FEE APPLICATION**

Name of Professional Person	Hourly Billing Rate (including changes)	Total Billed Hours	Total Compensation
E. Ordway	\$550	0.4	\$220.00
S. Cunningham	\$440	16.8	\$7,392.00
C. Whitney	\$375	13.2	\$4,950.00
W. Gilligan	\$375	44.0	\$16,500.00
L. Hamilton	\$350	50.4	\$17,640.00
J. Schwendeman	\$325	4.0	\$1,300.00
M. Hakoun	\$150	13.5	\$2,025.00
Grand Total:		142.3	\$50,027.00
Blended Rate:	\$351		

COMPENSATION BY PROJECT CATEGORY

Task Code	Project Category	Total Hours	Total Fees
12	Business Analysis	120.2	\$41,766.50
17	Committee Matters and Creditor Meetings	6.1	\$2,580.50
18	Compensation of Professionals	16.0	\$5,680.00
	Total	142.3	\$50,027.00

FOURTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
 FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
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(FOR THE PERIOD FROM MAY 1, 2002 THROUGH MAY 31, 2002)

EXPENSE SUMMARY

Expense Category	Total Expenses
Copies	\$310.35
Telecommunications	\$305.58
Postage, Express Delivery	\$143.71
Document Preparation and Handling Services	\$1,447.50
Total	\$2,207.14

Invoice

W.R. GRACE & CO. ET. AL.
Summary of Fees by Professional
For the period May 1, 2002 through May 31, 2002

	<u>Total</u> <u>Hours</u>	<u>Billing</u> <u>Rate</u>	<u>Amount</u>
E. Ordway	0.4	\$ 550	\$ 220.00
S. Cunningham	16.8	\$ 440	7,392.00
C. Whitney	13.2	\$ 375	4,950.00
W. Gilligan	44.0	\$ 375	16,500.00
L. Hamilton	50.4	\$ 350	17,640.00
J. Schwendeman	4.0	\$ 325	1,300.00
M. Hakoun	13.5	\$ 150	2,025.00
 TOTAL	 <u>142.3</u>		 <u>\$ 50,027.00</u>

Invoice

W.R. GRACE & CO. ET. AL.
 Summary of Fees by Category
 For the period May 1, 2002 through May 31, 2002

TASK CODE	TASK	E. Ordway	S. Cunningham	C. Whitney	W. Gilligan	L. Hamilton	L. Schwendeman	M. Hakoun	TOTAL
12	Business Analysis (primarily for accountants and financial advisors)	\$ -	\$ 5,324.00	\$ 4,950.00	\$ 16,162.50	\$ 12,005.00	\$ 1,300.00	\$ 2,025.00	\$ 41,766.50
17	Committee Matters and Creditor Meetings	-	2,068.00	-	337.50	175.00	-	-	2,580.50
18	Compensation of Professionals (Fee Applications of self and others)	220.00	-	-	-	5,460.00	-	-	5,680.00
	TOTAL	\$ 220.00	\$ 7,392.00	\$ 4,950.00	\$ 16,500.00	\$ 17,640.00	\$ 1,300.00	\$ 2,025.00	\$ 50,027.00
	Rate	\$ 550	\$ 440	\$ 375	\$ 375	\$ 350	\$ 325	\$ 150	

Invoice

W.R. GRACE & CO. ET. AL.
 Summary of Hours by Professional
 For the period May 1, 2002 through May 31, 2002

<u>TASK CODE</u>	<u>TASK</u>	<u>E. Ordway</u>	<u>S. Cunningham</u>	<u>C. Whitney</u>	<u>W. Gilligan</u>	<u>L. Hamilton</u>	<u>J. Schwendeman</u>	<u>M. Hakoun</u>	<u>TOTAL</u>
12	Business Analysis (primarily for accountants and financial advisors)	0.0	12.1	13.2	43.1	34.3	4.0	13.5	120.2
17	Committee Matters and Creditor Meetings	0.0	4.7	0.0	0.9	0.5	0.0	0.0	6.1
18	Compensation of Professionals (Fee Applications of self and others)	0.4	0.0	0.0	0.0	15.6	0.0	0.0	16.0
	TOTAL	0.4	16.8	13.2	44.0	50.4	4.0	13.5	142.3

Invoice**W.R. GRACE & CO. ET.AL.**

Professional Services Rendered by Edwin N. Ordway, Jr.

For the period May 1, 2002 through May 31, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
20-May	18	Prepared fee application.	0.2
21-May	18	Prepared fee application.	0.2
		Total Hours - May	0.4